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Voluntary - Public

Date: 1/12/2010

GAIN Report Number: IT1001

Italy

Post: Rome

Agricultural News for Italy and the EU - December 2009

Report Categories:

Agriculture in the News

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Report Highlights:

Report contains Italian and EU agricultural news items of interest for the month of December 2009.

General Information:

AGRICULTURAL NEWS

ITALY

New Italian Ministry of Health

On December 15 Professor Ferruccio Fazio, a medical doctor, was sworn in as Italy's new Health Minister. The Berlusconi government had combined the previously independent Health Ministry with the Ministry of Labor and Social Policies, in a bid to limit costs and bureaucracy. However, recent

high profile health issues (H1N1, food scares) have led the government to recreate an independent Ministry of Health. FAS/Rome works closely with the Ministry of Health, FDA, and other USG regulatory agencies to ensure the safety of Italian food exports to the United States.

Naples Pizza Gets EU Laurel

After 25 years of lobbying Italy has obtained from the EU the quality TSG seal (Traditional Specialty Guaranteed) for the "real" Naples-style pizza. Producers of 'Pizza Napoletana' who wish to use the TSG label on their pizzas must follow the precise specifications set out in the regulation. Italian farming association Coldiretti applauded the decision to help safeguard consumers from purchasing pizzas produced with cheese from Eastern Europe, Chinese tomatoes, Tunisian or Spanish olive oil, and Canadian or Ukrainian flour. Of note is that the word pizza is the most widely recognized Italian word abroad, followed by cappuccino, spaghetti, and espresso.

Italian Bubbly Exports to the U.S. Overtake French Champagne

Exports of Italian sparkling wines to the United States surpassed French champagne in volume and narrowed the gap in terms of value. Spumante and Prosecco exports during the first ten months of 2009 totaled 137,810 hectoliters, valued at \$87.66 million. Italian vineyards are expected to produce 300 million bottles of bubbly this year against the 260 million bottles of champagne. For the first time ever, Italy has exported more bubbly than it consumed.

Italian Winemakers First to Invest in India

Two Italian winemakers, Moncaro and Enzo Mecella, intend to invest \$42.5 million in India by 2010. They are the first foreign wine producers to invest directly in the country. India is one of the fastest growing markets for wine, but high tariffs discourage foreign wine imports. The EU and the United States have repeatedly taken India to the WTO over its alcohol tariffs. India consumed 9 million liters last year, the majority of which was cheap domestic wine. Foreign wines dominate the premium segment of the market, with 50% French and 30% Italian.

Minister of Agriculture running for local elections in Veneto

Minister of Agriculture Luca Zaia is running for local political elections in Veneto as President of the Region. Zaia has however stated that he plans to remain as Minister of Agriculture while campaigning for the Northern League party. Elections are expected to take place at the end of March 2010.

EUROPEAN UNION

EU Split over Animal Welfare Label

EU Member States are torn over an EU initiative to create a harmonized animal welfare label. The disagreement (mainly between Greece, Italy, and the Netherlands) centers on a series of policy options that would make it easier for consumers to identify and choose welfare-friendly products. The idea is to ensure a fair market share for sustainable forms of farming that guarantee a high level of animal welfare.

Climate Change Conference Ignores Agriculture

Agriculture was largely excluded from the main climate financing mechanisms under discussion at the UN Climate Change Conference held in Copenhagen. However, according to the FAO, farming

practices that capture carbon and store it in agricultural soils offer some of the most promising options for early and cost-effective action on climate change. These measures could also address the threat of rising food shortages, poverty, and civil unrest in some developing regions. A joint statement recommended that negotiators consider food security and agricultural development when crafting agreements on land use, deforestation, and other issues.

A GLOBAL PERSPECTIVE

With an Eye to EU Accession, Turkey Prepares to Ban GM Farming

In a move widely seen as preparation for eventual EU accession, Turkey's Ministry of Agriculture submitted a bill to severely limit the propagation of genetically modified (GM) plants and livestock. The bill, which is expected to be passed next year, introduces a complete ban on the production of GM plants or livestock either as food for humans or livestock and on the introduction of any GM organisms into the wild. Turkey also recently banned the import of all GM foods only to overturn the ban several weeks later when it realized it was completely unworkable.

FAS ROME REPORTING

Italy's Agriculture Ministry Remains Vocal Against GMOs

The Italian Ministry of Agriculture recently issued a press release in which it heavily criticized the EU Commission's approval of the genetically modified "Syngenta Mir 604" maize variety despite the face that Italy's livestock, dairy, and poultry sectors are heavily dependent on imported GMO feeds, which are used to produce some of Italy's best known products, including Parma ham and Parmigiano-Reggiano cheese. Moreover, Minister of Agriculture Zaia has refused thus far to sign a decree which would allow biotech field trials in Italy. (For a copy of the complete report, please e-mail Dana.Biasetti@usda.gov)

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